

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

FORMAN HOLT
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Proposed Attorneys for Debtors
Michael E. Holt
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In Re:

Supor Properties Enterprises LLC, *et al.*,¹

Debtors.

Chapter 11

Case No.: 24-13427 (SLM)

Judge: Hon. Stacey L. Meisel

(Jointly Administered)

DEBTORS' APPLICATION TO RETAIN FORMAN HOLT AS ATTORNEYS

1. The applicants, Supor Properties Enterprises, LLC, J Supor 136-1 Realty LLC, Supor 172 Realty LLC, Supor Properties Breiderhoft, LLC, Supor Properties Devon LLC, Shore Properties Associates North LLC, Supor Properties 600 Urban Renewal, LLC JS Realty Properties LLC and Supor Properties Harrison Avenue, LLC (collectively, the "Applicants") are the (check all that apply):

- Trustee: Chap. 7 Chap. 11 Chap. 13.
 Debtors: Chap. 11 Chap. 13
 Official Committee of _____

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification numbers are Supor Properties Enterprises LLC (5580), J Supor 136-1 Realty LLC (3205), Supor-172 Realty LLC (5662), Supor Properties Breiderhoft LLC (7258), Supor Properties Devon LLC (6357), Shore Properties Associates North LLC (6707), Supor Properties 600 Urban Renewal, LLC (8604), JS Realty Properties, LLC (2497) and Supor Properties Harrison Avenue LLC (1728).

2. The Applicants seek to retain the following professional Formanlaw LLC d/b/a Forman Holt ("Forman Holt") to serve as (check all that apply):

- Attorney for: Trustee Debtors-in-Possession
- Official Committee of _____
- Accountant for: Trustee Debtor-in-possession
- Official Committee of _____
- Other Professional:
- Realtor Appraiser Special Counsel
- Auctioneer Other (specify): _____

3. The employment of Forman Holt is necessary because of the legal issues surrounding the representation of the Debtors as debtors-in-possession:

- (a) Advising the Debtors with respect to the powers and duties in the continued management and operation of business as debtor-in-possession, including the Debtors' rights and remedies with respect to the Debtors' assets and claims and with respect to the claims of creditors.
- (b) Advising the Debtors with respect to preparing and obtaining approval of the Plan.
- (c) Preparation of all necessary applications, motions, complaints, answers, orders, reports and other pleadings and documents.

- (d) Appear before this Court and other officials and tribunals, if necessary, and protecting the Debtors' interests in federal, state and foreign jurisdictions and administrative proceedings.
 - (e) Negotiating and preparing documents relating to the disposition of the Debtors' assets.
 - (f) Advising the Debtors of day-to-day operations of in conjunction with the administration of the Debtor's estate as debtor-in-possession.
 - (g) Performing such other legal services for the Debtors as debtors-in-possession, as may be necessary and appropriate.
 - (h) Provide general guidance in connection with the Debtors' Chapter 11 case.
4. Forman Holt is highly experienced in bankruptcy law and related areas of law. Forman Holt has developed expertise in representing Chapter 11 debtors. Forman Holt is highly experienced in the matters for which it is to be retained and is thoroughly competent to act as the Debtor's attorneys in this case.
5. The professional services to be rendered shall include, but not be limited to, representing the Debtor in all stages of the bankruptcy case through confirmation of a plan and the sales of assets, as appropriate.

6. The proposed arrangement for compensation is as follows: Forman Holt shall bill at its normal hourly rates as set forth in the Certification of Michael E. Holt.

7. On March 22, 2024, Forman Holt received prepetition retainers totaling \$135,000 for services rendered and to be rendered in connection with the Debtors' chapter 11 cases. The

entities that provided the retainers and the Debtor on whose behalf the payments were made are set forth below:

| <u>Payor</u> | <u>Amount</u> | <u>Debtor</u> |
|-----------------------------------|---------------|------------------------------------|
| Marital Trust of Joseph Supor Jr. | \$15,000 | Supor 172 Realty LLC |
| Supor Properties Breiderhoft LLC | \$15,000 | Supor Properties Breiderhoft LLC |
| Supor Properties Devon LLC | \$15,000 | Supor Properties Devon LLC |
| Marital Trust of Joseph Supor Jr. | \$15,000 | Supor Properties Harrison Ave. LLC |
| Shore Properties Assoc. North LLC | \$15,000 | Shore Properties Assoc. North LLC |
| J. Supor 136-1 LLC | \$15,000 | J. Supor 136-1 LLC |
| Supor Properties Enterprises LLC | \$15,000 | Supor Properties Enterprises LLC |
| JL Realty Property LLC | \$15,000 | JS Realty Properties LLC |

8. On April 2, 2024, prior to filing the Debtors' chapter 11 petitions, Forman Holt invoiced the Debtors \$85,395.00 for legal services rendered preparing for the Debtors' chapter 11 filings between February 11, 2024, and April 2, 2024, and \$15,642.00 for the Bankruptcy Court Clerk's filing fees incurred in connection with these chapter 11 cases, for a total of \$101,037 for prepetition fees and expenses. Forman Holt applied the prepetition amounts due against the retainers received on a *pro rata* basis for each Debtor, which left a total of \$33,963.00, or \$3,773.67 for each Debtor, as retainers held for post-petition services to be rendered.

9. Each of the Debtors is a single asset real estate debtor. However, not all the Debtors derive income from their properties, and some did not maintain their own prepetition bank accounts. Payments for retainers were made to Forman Holt by affiliates of the Debtors for retainers on behalf of Debtors with no funds. Forman Holt has not received any guaranties or

promises of payment by any third parties, including any affiliates or owners of the Debtors, in connection with its post-petition services to be rendered to the Debtors in these matters. Any payment to Forman Holt will be made only from property of the Debtors' estates, or the proceeds from the sale thereof, upon proper application to and order by this court.

10. To the best of the Applicants' knowledge, Forman Holt's connection with the Debtors, creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the Office of the United States Trustee, is as follows:

- None.
- Describe connection:

Forman Holt represented the Debtors in negotiations with their secured lenders and in preparation for these chapter 11 cases.

Forman Holt also represented Supor Properties Bergen Avenue LLC as a debtor-out-of-possession and as a post-confirmation reorganized debtor in Case No. 23-15758 (SLM) in this court.

Forman Holt has been asked to represent Supor Properties Boonton LLC, J. Supor Realty Group LLC, J. Supor Realty LLC, Supor Manor Realty Group LLC, and Supor Manor Realty LLC in foreclosure litigation commenced against those entities by Wilmington Trust, NA as Trustee under Docket No.'s SWC-F-002970-23 and SWC-F-001468-23 in the Superior Court of New Jersey, and in litigation commenced against them by Richard Madison as the court-appointed rent receiver in that matter.

The Debtors filed an application and related pleadings to retain K&L Gates LLP ("K&L Gates") as special counsel in these chapter 11 cases. The Applicants are advised that Daniel M.

Eliades, William L. Waldman, and David S. Catuogno, partners at K&L Gates who are representing the Debtors in these matters, were members of Forman Holt Eliades & Youngman LLC together with Charles M. Forman, Erin J. Kennedy, and Michael E. Holt of Forman Holt.

The Debtors are applying to retain Sean Raquet CPA LLC as their accountant. The Applicants are advised that: Forman Holt has worked with Sean Raquet CPA in other matters unrelated to these cases; Sean Raquet serves as the accountant for Charles M. Forman in matters where Mr. Forman serves as a fiduciary, such as trustee, receiver, assignee, or special fiscal agent; Sean Raquet also serves with Charles M. Forman on the board of a charitable organization; and that neither Sean Raquet individually nor Sean Raquet CPA LLC provides accounting services to Forman Holt, or to any members, attorneys, or other employees of Forman Holt.

11.. To the best of the Applicants' knowledge, Forman Holt:

- does not hold an adverse interest to the estate.
- does not represent an adverse interest to the estate.
- is a disinterested person under 11 U.S.C. §101(14).
- does not represent or hold any interest adverse to the Debtor or the estate with respect to the matter for which they will be retained under 11 U.S.C. § 327(e).

WHEREFORE, Applicants respectfully request authorization to employ Forman Holt as its attorneys to render services in accordance with this application, effective as of the Petition Date, with compensation to be paid as an administrative expense in such amounts as the Court may hereafter determine and allow.

SUPOR PROPERTIES ENTERPRISES LLC, *et al.*
Debtors and Debtors-in-Possession

Dated: April 23, 2024

By: /s/ Joseph Supor III
Joseph Supor III
Authorized Member